

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: KMC TELECOM V, INC.	DOCKET NOS. TCU-00-26 WRU-00-34
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**ORDER GRANTING APPLICATION, APPROVING CONCURRENCE IN MAPS,
AND GRANTING WAIVERS**

(Issued August 7, 2000)

On May 8, 2000, KMC Telecom V, Inc. (KMC), filed an application for issuance of a certificate of public convenience and necessity, pursuant to Iowa Code § 476.29 (1999), stating its intention to provide local exchange service in Iowa. According to the application, KMC plans to provide service in the exchanges currently served by Qwest Corporation, f/k/a U S WEST Communications, Inc. (Qwest), and Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, successor to GTE Midwest Incorporated (Iowa Telecom). KMC will adopt the current service territory maps, as well as any future changes to those maps, of Qwest and Iowa Telecom. Proposed tariffs have not been filed by KMC.

Iowa Code § 476.29(2) (1999) provides that the local exchange carrier shall not be denied a certificate if the Utilities Board (Board) finds that the applicant "possesses the technical, financial, and managerial ability to provide the service it proposes to render and the board finds the service is consistent with public interest." The Board has reviewed KMC's application and finds KMC has demonstrated that it

has the necessary technical, financial, and managerial ability to provide local exchange service. It is in the public interest to grant a certificate to KMC.

KMC has stated that it supports 2-PIC technology for both intraLATA and interLATA dialing parity.

KMC requested a waiver of 199 IAC 16.5(2), which requires it to use a prescribed system of accounts, stating it employs an accounting system in accordance with generally accepted accounting principles (GAAP). A waiver was also requested of 199 IAC 18.2, which requires utilities to keep all records within the state. KMC represents that it will maintain its books and records at its principal place of business in Arkansas, and will make all records available for inspection by the Board or its staff upon request.

KMC also requested the Board waive 199 IAC 22.3(1), requiring it to independently publish a directory.

The Board finds it reasonable to grant KMC's requests for waivers. Based on the nature of the local exchange service KMC will provide, the Board finds that none of these requirements are appropriate at this time. The Board will be able to adequately review the records if it becomes necessary. Until or unless KMC serves a very large number of customers, it is unnecessary for it to publish a separate directory in Iowa. The Board will require that KMC arrange for its customers to be included in the directories of the incumbent carriers.

IT IS THEREFORE ORDERED:

1. The application for a certificate of public convenience and necessity filed by KMC Telecom V, Inc., on May 8, 2000, is granted, subject to the requirement that follows.
2. At the time KMC files tariffs with the Board, it must give notice to all affected local exchange carriers. Upon approval of tariffs to reflect the prices, terms, and conditions of local exchange service in Iowa offered by KMC, the Board will issue a certificate of public convenience and necessity allowing it to provide local exchange service in Iowa.
3. The concurrence in the Qwest Corporation and Iowa Telecommunications Services, Inc., d/b/a Iowa Telecom, service territory maps and boundaries by KMC is approved.
4. The requests for waiver of 199 IAC 16.5(2), 18.2, and 22.3(1) are granted.

UTILITIES BOARD

/s/ Allan T. Thoms

ATTEST:

/s/ Judi K. Cooper
Executive Secretary, Deputy

/s/ Diane Munns

Dated at Des Moines, Iowa, this 7th day of August, 2000.